

# **Community Development Block Grant Consolidated Annual Performance and Evaluation Report *Program Year 2018***

## **CR-05 - Goals and Outcomes**

### **Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)**

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

The City of Mankato made progress in achieving the goals of the 2018 Action Plan. Activities completed during the 2018 program year include:

- Public service grants were provided to help meet the identified needs of hunger, medical care, transportation, and the education of special needs groups. The ECHO Food Shelf and the Backpack Program were funded to feed low income families and children. The Backpack Program provides nutrition on weekends and during vacations to children who qualify for the federal free and reduced cost lunch program at the school district. VINE Faith in Action was funded to help provide transportation to work after hours for public transportation. VINE also was funded to provide chore services for elderly and disabled as well as Meals on Wheels that help maintain independent living. The Tapestry Program was funded to provide education to new Americans recently arriving in Mankato. The Tapestry Program helps non-English speakers understand the terms of their lease, the role of community services such as the Department of Public Safety, the library, public transportation, how to shop when you can't read labels, etc.

Activities completed from previous program years include:

- The development of 50 units of affordable housing. City staff worked closely with four developers to prepare applications for the Low Income Housing Tax Credit Program, with one of the applications awarded to CommonBond to develop 50 units of affordable housing. In addition to the allocation of CDBG funds, the Mankato Economic Development Authority awarded project based vouchers for the

project. Construction of the 50 units of affordable housing is complete and the units were fully occupied the fall of 2018.

- 4 substandard manufactured homes were replaced.
- 5 units of owner occupied housing was rehabilitated improving living conditions for low to moderate income households. Lead based paint hazards were also abated as part of these activities.
- City staff engaged the Lincoln Park neighborhood to solicit feedback on improvements to their neighborhood park. Improvements to this neighborhood park improves the quality of life for a neighborhood with a high percentage of low to moderate income households. The park improvements, including new playground equipment, was completed the fall of 2018.

Activities planned, but not yet complete include:

- 7 owner occupied housing rehabilitation projects are currently underway which will improve living conditions for low to moderate income households.
- 3 rental housing rehabilitation projects are currently underway which will improve living conditions for low to moderate income households.
- 1 unit of public facility rehabilitation to a homeless shelter is currently underway. Rehabilitation will help to preserve existing shelter beds.
- City staff has engaged the Washington Park neighborhood association to solicit feedback on improvements to their neighborhood park. Improvements to this neighborhood park will improve the quality of life for a neighborhood with a high percentage of low to moderate income households. It is anticipated the park improvements will be completed fall of 2019.

**Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)**

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Affordable Housing	Affordable Housing Homeless	CDBG: \$ / LIHTC: \$	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted	100	50	50.00%			
Affordable Housing	Affordable Housing Homeless	CDBG: \$ / LIHTC: \$	Rental units constructed	Household Housing Unit	100	50	50.00%			
Affordable Housing	Affordable Housing Homeless	CDBG: \$ / LIHTC: \$	Homelessness Prevention	Persons Assisted	25	0	0.00%			
Affordable Housing	Affordable Housing Homeless	CDBG: \$ / LIHTC: \$	Housing for Homeless added	Household Housing Unit	16	0	0.00%			
Affordable Housing	Affordable Housing Homeless	CDBG: \$ / LIHTC: \$	Other	Other	0	0		6	0	0.00%
Commercial Rehabilitation	Non-Housing Community Development	Redevelopment Fund: \$ / Owner match: \$	Facade treatment/business building rehabilitation	Business	10	3	30.00%			

Germainia Park Improvements	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	612	6455	1,054.74%			
Germainia Park Improvements	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted		0		612	4765	779%
Increased Shelter beds	Homeless	CDBG: \$	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted	0	0				
Increased Shelter beds	Homeless	CDBG: \$	Homeless Person Overnight Shelter	Persons Assisted	30	0	0.00%			
Increased Shelter beds	Homeless	CDBG: \$	Other	Other	0	0		1	0	0.00%
Job Training	Non-Homeless Special Needs	CDBG: \$	Other	Other	30	0	0.00%			

Medical Care	Non-Homeless Special Needs	CDBG: \$ / Owner match: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	63	126	200.00%	0		
Medical Care	Non-Homeless Special Needs	CDBG: \$ / Owner match: \$	Other	Other		0		63	63	100.00%
Nutrition Support - Adults	Food Support - Public Service	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	300	2700	900.00%	0		
Nutrition Support - Adults	Food Support - Public Service	CDBG: \$	Public service activities for Low/Moderate Income Housing Benefit	Households Assisted		0				
Nutrition Support - Adults	Food Support - Public Service	CDBG: \$	Other	Other	0	0		300	2700	900.00%

Nutrition Support - Children	Non-Homeless Special Needs	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	498	1033	207.43%	0		
Nutrition Support - Children	Non-Homeless Special Needs	CDBG: \$	Other	Other		0		498	435	87.35%
Owner-Occupied Housing Rehabilitation	Affordable Housing	CDBG: \$ / Owner match: \$	Homeowner Housing Rehabilitated	Household Housing Unit	25	15	60.00%	5	5	100.00%
Rental Housing Rehabilitation	Affordable Housing	CDBG: \$ / LIHTC: \$ / Owner match: \$	Rental units rehabilitated	Household Housing Unit	5	2	40.00%	2	0	0.00%
Rental Housing Rehabilitation	Affordable Housing	CDBG: \$ / LIHTC: \$ / Owner match: \$	Homeowner Housing Rehabilitated	Household Housing Unit	0	0		0	0	0.00%
Rental Housing Rehabilitation	Affordable Housing	CDBG: \$ / LIHTC: \$ / Owner match: \$	Housing for Homeless added	Household Housing Unit	0	0				
Rental Housing Rehabilitation	Affordable Housing	CDBG: \$ / LIHTC: \$ / Owner match: \$	Housing for People with HIV/AIDS added	Household Housing Unit	0	0				

Tapestry Program	Non-Homeless Special Needs	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	25	30	120.00%			
Tapestry Program	Non-Homeless Special Needs	CDBG: \$	Other	Other		0		8	12	150.00%
VINE Faith in Action	Non-Homeless Special Needs	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	12000	2653	22.11%	0		
VINE Faith in Action	Non-Homeless Special Needs	CDBG: \$	Other	Other		0		609	1656	271.92%

**Table 1 - Accomplishments – Program Year & Strategic Plan to Date**

**Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.**

The City has assessed the success in administering the CDBG funds and has found that stated needs are being met. CDBG resources have been dedicated to the development of additional affordable housing housing to be funded by the Low Income Housing Tax Credit (LIHTC) program. Additional affordable housing units was the number one stated need during the public participation sessions. Fifty units of affordable housing

was created for the 2016 program year with leverage from CDBG and LIHTC. Construction of Dublin Crossing was completed in 2018. Joseph Development was awarded LIHTC in 2017 and the City of Mankato approved tax increment financing (TIF) to assist with developing a 60-unit apartment building of affordable housing near Rosa Parks Elementary School. Construction of Rosa Place was completed and opened in June 2019. CommonBond Communities was awarded LIHTC in 2018 to create 45 units of affordable housing; Dublin Heights. Construction is anticipated to be completed in 2020. The EDA coordinated with a number of developers on making application for LIHTC this year and utilizing Project-Based Housing Choice Vouchers. The State will announce funding awards for new development projects in November 2019 at which time we will know if this goal will be met.

Funds were also spent to rehabilitate owner occupied housing for low to moderate income households. 5 units of owner occupied housing were rehabilitated from previous program years which will improve living conditions for low to moderate income households. 7 units of owner occupied housing rehabilitation are currently underway. Lead based paint hazards were also abated as part of these activities.

There are 3 rental housing rehabilitation projects currently underway and are from previous funding years.

Public service grants helped to feed hungry children and adults, provided transportation, meals on wheels and chore services, medical care, and education for new Americans.



## CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

	CDBG
White	3,139
Black or African American	855
Asian	116
American Indian or American Native	66
Native Hawaiian or Other Pacific Islander	2
<b>Total</b>	<b>4,178</b>
Hispanic	465
Not Hispanic	3,713

Table 2 – Table of assistance to racial and ethnic populations by source of funds

### Narrative

The data to compose the table above was drawn from the CDBG Summary of Accomplishments Report for funding year. This report includes the number of multi-racial persons served.

**CR-15 - Resources and Investments 91.520(a)****Identify the resources made available**

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	435,674	356,339.42
Continuum of Care	public - federal	53,171	\$39,880
Public Housing Capital Fund	public - federal	212,000	\$139,921

**Table 3 - Resources Made Available****Identify the geographic distribution and location of investments**

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Affordable Housing - New Construction		37	1 affordable housing project was completed
Commercial Targeted Area			
Germainia Park			
Hilltop			
Lincoln Park		37	3 owner occupied housing rehabilitation projects and 1 neighborhood park improvement project
North Highland Park		9	1 owner occupied housing rehabilitation project was completed
Sibley Park			
Tourtellotte Park			
Washington Park	26	17	2 owner occupied housing rehabilitation projects

**Table 4 – Identify the geographic distribution and location of investments**

## Leveraging

**Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.**

The City of Mankato requires a 50% match for public service grants. Before the grants are dispersed, verification of matching funds is submitted and is maintained in the CDBG records. Matching funds are also required in the rental housing rehabilitation program and owner occupied housing rehabilitation projects for households with an income at 80% the area median household income; a 50% match for rental and sliding scale for owner occupied housing projects. Owners are required to spend their match on contractor's invoices when the rehabilitation is complete. Recently, most homeowners served have had incomes below the match requirement.

Federal and State funds outside of CDBG are used to provide affordable housing. Programs such as public housing and the Housing Choice Voucher, VASH, Shelter + Care, and Bridges rental assistance are used to house very low income residents as well as the homeless and disabled. The use of these funds frees CDBG to be used to serve other identified needs.

The City of Mankato owns, manages, and maintains 179 units (56 structures) in Mankato which provide affordable housing. Units range in size from 1 to 5 bedrooms. The City of Mankato also owns several parks. Lincoln Park, a neighborhood park, received park improvements improving the quality of life for a neighborhood with a high percentage of low to moderate income households. Park improvements to Lincoln Park were completed fall of 2018. Washington Park, another neighborhood park, will receive park improvements improving the quality of life for a neighborhood with a high percentage of low to moderate income households. Park improvements are anticipated to be finished by fall 2019.

## CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	1	0
Number of Non-Homeless households to be provided affordable housing units	13	9
Number of Special-Needs households to be provided affordable housing units	0	0
<b>Total</b>	<b>14</b>	<b>0</b>

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	0	50
Number of households supported through Rehab of Existing Units	8	9
Number of households supported through Acquisition of Existing Units	0	0
<b>Total</b>	<b>8</b>	<b>59</b>

Table 6 – Number of Households Supported

**Discuss the difference between goals and outcomes and problems encountered in meeting these goals.**

The City of Mankato administers approximately 800 units of subsidized housing that is funded by the federal public housing, Housing Choice Voucher, Veterans Administration Supportive Housing, Continuum of Care, and the state funded Bridges Programs.

The goal of increasing the number of affordable housing units by 50 was a goal in the 2016 Action Plan that was achieved fall 2018. CommonBond, the developer, incorporated the use of CDBG funds and Low Income Housing Tax Credits (LIHTC) to develop new affordable housing.

Another developer had a successful application for LIHTC to construct 60 units of affordable housing. The developer decided not to utilize CDBG funds which were made available. Construction was

completed summer 2019 which is located on hilltop Mankato near Rosa Parks Elementary School in Mankato.

The provision of the owner occupied and rental rehabilitation programs ensures the older housing stock in the city will be maintained to meet building code. These programs provide safe, affordable housing for low income citizens. 5 owner occupied housing rehabilitation projects were completed during the 2018 program year. 7 owner occupied housing rehabilitation projects and 3 rental housing rehabilitation projects are currently in process. There remains strong interest in these programs.

**Discuss how these outcomes will impact future annual action plans.**

This is the fourth year we have included CDBG funds to leverage LIHTC funding for the development of needed affordable housing. Although the city is considering the use of other programs to leverage another LIHTC apartment building, if development is funded in November 2019, the city of Mankato will have met the goal of increasing the number of affordable housing units.

**Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.**

Number of Households Served	CDBG Actual
Extremely Low-income	1,703
Low-income	1,778
Moderate-income	1,682
<b>Total</b>	<b>5,163</b>

**Table 7 – Number of Households Served**

**Narrative Information**

The table above reflects the income data from those who benefitted from public service grants as well as from the owner-occupied housing rehabilitation program and affordable housing project.

## **CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)**

**Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:**

### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

Staff have been very active in the development of the area Coordinated Entry System; an intake, evaluation, and waiting list for homeless in our area. Staff meet quarterly to update the waiting list and to share success in service to those in need.

Shelter Plus Care provided 15 households with "project based" rental subsidy and supportive services at Cherry Ridge and Sibley Park apartments. The program is in partnership with Blue Earth County Human Services for people who are long-term homeless and chronically homeless and disabled. Participants pay 30% of their income towards housing expense. The county provides the required case management; the individual is required to meet during set times by the case manager.

MN Housing Bridges Program provided 26 households with rental subsidies through a voucher program for people with serious mental illness that pays a housing subsidy until a Housing Choice Voucher is received. Individuals must be referred by a case manager or mental health practitioner. The individual must be currently on the HCV waiting list, or apply to the HCV waiting list as soon as the waiting list reopens to remain eligible for the bridges program. As a regional coordinated effort, the EDA partnered with South Central Community Based Mental Health Initiative and service providers, Blue Earth County, and other Housing Authorities in the region to seek additional funding from MN Housing to expand the Bridges program.

Staff continue to search for a way to increase the number of shelter beds in our area. Staff has identified additional preferences to target identified needs in the community for program eligibility on the Housing Choice Voucher and Public Housing programs. The City participates in the regional Continuum of Care and collaborates in the implementation of the Coordinated Entry (CE) system. CE is a coordinated process designed to manage participant intake, assessment, and provision of referrals.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The need for additional shelter beds has been identified and increasing the number of beds in the city has been an identified goal. Partners for Affordable Housing (PAH) and Connections Shelter continue to seek shelter facilities to meet the needs in the community. Once a facility is located, CDBG funds may be used to rehabilitate the facility if needed. CDBG funds have also been spent to rehabilitate the transitional housing units provided by PAH to help move homeless families to stable housing.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

Intake staff refer citizens who are homeless or threatened with homelessness to the area Homeless Prevention Program for services. Intake staff will also complete the assessment needed to add the citizen to the Coordinated Entry list for service. The Bridges Program administered by the Mankato EDA gives preference to individuals who are homeless, who are about to be discharged from a publicly funded institution or system of care.

The EDA under the Bridges program, does provide priority preference to eligible households with serious mental illness who are homeless, leaving health care centers, mental health treatment centers, ERTS, correctional facilities, and or institutions. Staff start working with households prior to release to assist them in securing housing as they leave these segregated settings. Through the most recent funding round, the EDA made a request for additional funding of the Bridges program to expand the program regionally. The EDA revised its administrative policies and practices that have loosened the requirements around criminal histories and provides opportunity to appeal terminations based on criminal background.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

Through the provision of the Bridges Program, Shelter Plus Care units, VASH Vouchers, and dedicated long term homeless units, homeless citizens are moved to stable affordable housing. Staff work closely with service providers to achieve success for these families. The development of the Coordinated Entry system allows for those who are homeless to access services across the many counties of the Continuum of Care without having to make multiple applications. Should additional Low Income Housing Tax Credit units be funded, the number of units dedicated to serving homeless families will increase. Recently, we applied for more funding to expand the Bridges vouchers enabling the EDA to service the program regionally. Social service staff work to provide the medical, educational, and employment resources needed to move these families to self-sufficiency and to prevent future homelessness. Preference is given to homeless families and individuals from the Coordinated Entry system.

## **CR-30 - Public Housing 91.220(h); 91.320(j)**

### **Actions taken to address the needs of public housing**

The City of Mankato works to provide adequate and affordable housing and economic opportunity to lift low income households out of poverty. The City identifies housing needs in the community and collaborates with local, state and federal resources to meet those needs.

Affordable Rental Housing (ARH) Program (Public Housing) has assisted 369 low-income households in subsidized housing this past year, managed by the City of Mankato. Rent paid by tenants is structured to 30% of income. To qualify for the Affordable Rental Program, applicants must meet income guidelines, have good rental references, no history of drug involvements or violent behavior. Staff manages and maintains 179 units (56 structures) in Mankato and 66 units (20 structures) in Blue Earth County. Units range in size from 1 to 5 bedrooms. Since 1998, capital improvements to properties total \$6 million, plus an additional \$1,500,000 in ARRA stimulus funds.

Housing Choice Voucher (HCV) Program provides rental subsidies to 682 very low income households within Blue Earth county this past year. Participants of this program receive a voucher that allows them to choose housing in the private rental market; they pay about 30% of income for rent and utilities. Before assistance is paid, the unit is inspected to ensure it is safe, decent, and sanitary. Applicants must meet income guidelines, have no history of drug involvements or violent behavior.

### **Actions taken to encourage public housing residents to become more involved in management and participate in homeownership**

Currently the EDA contracts with Southwest Minnesota Housing Partnership to provide Homestretch and homeownership counseling. Home Stretch involves eight hours of classroom instruction that covers every aspect of the home purchasing process. Professionals in home inspection, lending, real estate, insurance, personal and property safety, credit repair and financial literacy are on hand to share expertise and answer questions to program participants. Participants receive a certificate upon course completion that is required for Minnesota Housing, RD, and VA first time homebuyer mortgage products. Research has shown that graduates of Home Stretch have fewer foreclosures than first time home buyers who have not taken the course. The staff with Southwest Minnesota Housing Partnership and the EDA provide personal coaching to move families from public housing and the Housing Choice Voucher Program to homeownership. The public housing and Housing Choice Voucher families who successfully complete the program are eligible to receive up to \$5,000 in downpayment assistance from the City of Mankato. This year 3 families closed on their new homes. Home Stretch is a homebuyer education program taught in small group "club" classroom setting. We served 26 households last year through the First Home Program. First Home targets participants of subsidized housing, (but we turn no interested parties away) with the goal of transitioning them from rental subsidy to homeownership. The curriculum covers basic financial literacy and home maintenance. Staff have found that this program has been essential for helping new immigrants prepare for home purchase. Home buyer educational



workshop is open to the general public and served 35 people this past year.

Family Self-Sufficiency Program (FSS) is a voluntary option for individuals under lease with a Housing Choice Voucher Program. This past year 33 participants developed goals to increase earned income and ultimately become self-sufficient over a 5 year period, and 12 households became economically self-sufficient. A savings account is established and deposits are made when the participants' earned income increases. Money the EDA saves by paying less rent for the participant is deposited into the interest earning escrow account. Participants who complete the program goals may use this savings account for a variety of opportunities such as purchasing a home, returning to school, or buying a vehicle.

The residents of Orness Plaza meet regularly to plan activities and share ideas regarding the management of the facility. The Tenants Advisory Board meets every year to review the proposed PHA Annual Plans and their comments are considered.

### **Actions taken to provide assistance to troubled PHAs**

There are no troubled PHAs in the Mankato entitlement area.

## **CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)**

**Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)**

In the recent past, the Mankato EDA developed a plan for project based vouchers and has used this plan to award project based vouchers in new tax credit funded developments as well as rehabilitation projects.

**Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)**

The two most important underserved needs in our community continue to be the lack of affordable housing as well as the lack of shelter beds. Staff are in close contact with area shelter providers to encourage expansion of shelter services. In the past CDBG funds have been used to study the feasibility of shelter expansion as well as planned shelter renovation only to have these opportunities disappear. Staff will continue efforts to meet these needs.

**Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)**

Lead paint assessments are completed on every residential unit that will receive rehabilitation. If lead hazards are present, the abatement of the hazards are included in the scope of work. Contractors certified to properly eradicate lead hazards are hired to complete the work.

Homes that will be assisted by the Housing Choice Voucher Program that were built before 1978 and will have children under five years of age are inspected for lead paint hazards. If chipped or peeling paint is found, an assessment is completed and the property owner is required to abate the lead hazards.

**Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)**

The City of Mankato seeks to reduce the number of persons living below the poverty level by administering the HUD funded Family Self-Sufficiency Program, the goal of which is to move families from the dependence on government assistance to self-sufficiency. We also provide two homeownership education programs: for the general community, Home Stretch is offered the first two Thursdays of every month, and First Home, a financial literacy program designed to move emerging market families to homeownership. The Mankato EDA has actively administered the Voucher Homeownership Program and currently has two families purchasing homes with voucher assistance.

The City of Mankato also has a developed a list of Section 3 contractors who are solicited whenever bids are let for our construction projects. Staff continually work to seek additional Section 3 contractors. Also, to spur job growth, the city has approved low interest loans for several businesses, who will in

return, create and maintain jobs. In the past year, two projects were awarded loans from both local and state, non-CDBG, funds.

**Actions taken to develop institutional structure. 91.220(k); 91.320(j)**

The City of Mankato works diligently to overcome gaps in institutional structure and to enhance coordination. The City has enhanced the customer service portal on the website to receive complaints and concerns 24 hours a day, and an app was introduced to access the customer service system via a smart phone. Additional 311 call center operators have been hired to answer questions and provide resources to the general public.

A transit study was completed which included community engagement resulting in an improved and more efficient public transit system.

Community Development staff work alongside neighborhood associations as well as area social service organizations in the provision of the rental licensing program and Housing Choice Voucher, Public Housing, VASH, Shelter Plus Care, and Bridges rental assistance programs.

**Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)**

Community Development staff maintain close relationships with area housing and social service providers. Staff are active in the Mankato chapter of the Multi-Housing Association as well as in the state and local National Association of Housing and Redevelopment Officials (NAHRO) organizations. Staff also meet regularly with the Family Self-Sufficiency Board of Directors, Homeless Response team, Continuum of Care, Coordinated Entry Committee, and staff of Blue Earth County Mental Health team. The Community Development department participates in the annual Veteran's Standdown and the Project Community Connect; both events that provide services to the homeless. Through the administration of the public housing and voucher programs staff work daily with area property owners and social service staff. Community Development staff also work with neighborhood associations throughout the city.

**Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)**

Staff administering the Housing Choice Voucher program help clients choose new homes in areas of low poverty concentration. To aid in this effort, maps of poverty concentration are provided in every briefing packet. Also, the location of currently leased vouchers has been mapped and shows that voucher holders are not concentrated in low income areas.

Fair housing information is included in all briefing packets, application materials, and at annual landlord trainings. We post fair housing materials in the office as well as provide information on filing fair housing

complaints. Staff attends fair housing training when available.

Available for view is our Limited English Proficiency plan. The City of Mankato employs staff who speak Somali, Serbian, Croatian, Bosnian and Russian to help reach the largest minority populations in the City. Interpreters are provided as needed.

The City of Mankato also partners with (and has provided financial support to since 2004) the Greater Mankato Diversity Council (GMDC) to enhance the Mankato area's commitment to creating an inclusive and welcoming community through diversity education. GMDC strives to give people an understanding of diversity and build their cultural competence through prejudice reduction education, multi-cultural activities, diversity events and more.

This year CDBG funds were used to fund the Tapestry program; an effort to help integrate new Americans into the community.

The Mankato EDA Voucher Homeownership Program was chosen as part of the pilot of the State of Minnesota Emerging Market Homeownership Program, the goal being to increase the number of minority homeowners in the state. The City also refers potential homeowners to the Emerging Market Homeownership Initiative in southern Minnesota to further this end. To date, staff has assisted 32 minority households to purchase homes under the City's Homeownership programs; currently 24 are using Housing Choice Vouchers for this purpose.

## **CR-40 - Monitoring 91.220 and 91.230**

**Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements**

To monitor social service activities, no CDBG funds have been dispersed until staff have received verification that the services were provided as agreed to in the signed service agreement contracts. For rehab projects, City staff are completing intake, then contracting with Minnesota Valley Action Council to develop scopes of work, bid projects, and inspect construction as specified in the rehab standards and policies approved by the City of Mankato EDA Board. Bidding and program administration follows all federal requirements including Davis-Bacon, Section 3, and Women and Minority Owned Business regulations. No payments are made until all work is completed and inspected to the satisfaction of the rehab specialist, the owner, and the City building official, and lien waivers are received. Additionally, City staff have tried to make a point of completing a HUD draw and updating IDIS on a monthly basis.

Disbursements to subrecipients and contractors are processed immediately upon receipt of all necessary documentation and inspections (if needed). Actual expenditures do not differ from letter of credit disbursements.

The City of Mankato has surveyed all licensed contractors in Nicollet and Blue Earth counties and has certified as Section 3 businesses for those who qualify. These businesses are included when soliciting bids for work with the City.

The public will be encouraged to participate in the planning process for the CDBG program through inclusion in focus groups, public hearings, and the provision of comments. Comments can be received through the City of Mankato customer service portal or by simply calling 311.

### **Citizen Participation Plan 91.105(d); 91.115(d)**

**Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.**

The public was invited to attend the public hearing to discuss the administration of the 2018 CDBG program. The CAPER was posted for comments on August 30, 2019 in advance of the hearing through notice in the Mankato Free Press. Comments could be received anytime at the City of Mankato offices, through the customer service portal via smart phone app, website, or by calling 311. The draft CAPER was posted to the City's website which allows for web pages to be translated. The City of Mankato employs staff who speak different languages who are able to translate. The City of Mankato also provides translators as needed. Staff are available to answer any questions and take comments and will provide accommodations for those with disabilities. Information is provided in multiple formats and

locations. The public hearing is also broadcasted on television on the public access channel. The public comment period was from August 30, 2019 through September 13, 2019. The Mankato City Council at their September 9, 2019 meeting will review the draft CAPER.

#### **CR-45 - CDBG 91.520(c)**

**Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.**

No changes will be made to program objectives. Several of the City of Mankato's goals are lofty and out of reach of CDBG funds. The need for additional affordable housing and shelter beds continue to be paramount; funding to meet these needs is elusive. Staff will continue to seek remedies rather than to simply decide that these goals are unattainable.

**Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?**

No